

FINANCING STATEMENT, SECURITY AGREEMENT AND CHATTEL MORTGAGE

Filing No.

August 29 19 72

DENNIS W. MANASCO, INC.

4921 East Fifteenth Street

(a corporation)

Tulsa, Oklahoma

Debtor(s)

Address of Debtor(s)

The above named, hereinafter called the "Debtor," whether one or more, in consideration of One Dollar and other valuable considerations, the receipt of which are hereby acknowledged from THE FIRST NATIONAL BANK AND TRUST COMPANY OF TULSA, a national banking association, 15 EAST FIFTH STREET, Tulsa, Oklahoma, hereinafter called the "Bank", hereby grants to the Bank a chattel mortgage lien and security interest in and to the following described personal property, together with all accessions, accessories, and all parts and equipment now or hereafter installed upon, affixed thereto or used in connection therewith (whether by repairs or otherwise):

Three railroad tank cars, with A.R.A. Nos. MTCX 1717, MTCX 1718 and MTCX 1719, purchased by debtor with the proceeds of the loan secured hereby, each such railroad tank car having a capacity of approximately 20,000 gallons (to be operated for debtor by Mallard Transportation Company) and being a general purpose tank car

6770

RECORDATION NO. Filed & Recorded

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STATE COMMERCE COMMISSION

now located, or when acquired by the Debtor to be located

in the

County, State of, all of the said personal property, accessories, accessories, parts and equipment being hereinafter collectively called the "Goods".

If the residence of the Debtor be other than as shown above, the same is as above

If the chief place of business of the Debtor be other than as shown above, the same is as above

The security interest (and chattel mortgage lien) hereby granted is given to secure the performance of the covenants and agreements herein

set forth and incorporated, for the payment of an indebtedness in the face amount of FIFTY-SEVEN THOUSAND AND

NO/100 Dollars (\$ 57,000.00)

as evidenced by promissory note(s) executed by Debtor, payable to the order of the Bank as therein provided and with interest as therein set forth; for all costs and expenses incurred in the collection thereof, including reasonable attorney fees of Ten Dollars and ten per cent (10%) of the unpaid principal sums secured hereby, and in enforcing the Bank's rights hereunder; for the payment of all extensions, renewals, substitutions and changes in form of the said note(s); all advances made by the Bank to protect the security hereof, including advances made for or on account of levies, insurance, repairs, taxes and for maintenance or recovery of the goods; and any and all other indebtedness, liabilities and obligations of the Debtor (or any of them) to the Bank, whether now existing or hereafter arising, including all future loans and advances to the Debtor (or any of them); and for interest on any and all moneys expended or advanced by the Bank hereunder or pursuant hereto.

CHECK THE FOLLOWING WHERE APPLICABLE:

X The Goods, or some thereof, will be acquired with the proceeds of one or more loans secured hereby. The Goods are to be used by the Debtor primarily:

- X In business
Personal, household or family use
In farming operations

The rights and privileges of the Bank hereunder shall inure to the benefit of its successors and assigns. All covenants, representations, warranties, agreements and undertakings herein set forth and incorporated are joint and several if Debtor is more than one party and shall bind the heirs, executors, administrators, successors and assigns of the Debtor(s). If any provision hereof shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof.

THIS AGREEMENT INCLUDES THE ADDITIONAL PROVISIONS SET FORTH ON THE REVERSE SIDE HEREOF, THE SAME BEING INCORPORATED HEREIN BY REFERENCE.

DENNIS W. MANASCO, INC.

By Dennis W. Manasco Vice President

DEBTOR(S)

THE FIRST NATIONAL BANK AND TRUST COMPANY OF TULSA

By Richard M. Lee Assistant Cashier

THE FIRST NATIONAL BANK
 AND TRUST COMPANY OF TULSA
 15 East 5th Street
 Box 1
 TULSA 2, OKLAHOMA

DEBTOR(S) _____
 DEBTOR(S) _____
 DEBTOR(S) _____
 DEBTOR(S) _____

Debtor further represents, warrants and agrees that:

The Debtor has, or from the proceeds of the indebtedness secured hereby will acquire, absolute title to the Goods free and clear of all liens, encumbrances, and security interests except the security interest hereby granted to the Bank and such other rights, if any, of Bank, and the Debtor will warrant and defend the same unto the Bank against the claims and demands of all persons and parties whomsoever;

Without the prior written consent of the Bank, the Debtor will not sell, exchange, lease or in any manner dispose of the Goods or any interest therein nor permit any lien, encumbrance or security interest to be attached to the Goods or any part thereof. Debtor will promptly notify the Bank of any change in the location of the Goods, whether such change occur with or without the Bank's consent. Debtor will permit the Bank to inspect the Goods at any time;

Debtor will use the utmost care to maintain the Goods in good condition and repair, but will not suffer any lien, charge or encumbrance to attach thereto, whether by reason of repairs, taxes, assessments or otherwise. Debtor will not use or permit the Goods to be used in violation of any law, statute or ordinance. If the market value of the Goods shall decline, except by virtue of ordinary wear and tear, Debtor will, upon demand and grant a security interest in property of equal value to such decline, and upon failure to do so, the Bank may, at its option, accelerate and declare the indebtedness secured hereby to be immediately due and payable. Debtor will not, in any event, permit anything to be done that may impair the value of the goods or the security intended to be afforded by this Agreement.

Debtor will insure the goods with companies acceptable to Bank against such casualties and in such amounts as Bank shall require; all insurance policies shall be written for the benefit of Debtor and Bank as their interests may appear, and such policies or certificates evidencing the same shall be furnished to Bank. If Debtor fails to pay the premiums on any such insurance, Bank may do so for Debtor's account, adding the amount thereof to the other amounts secured hereby; however, Bank is under no obligation or has no duty to pay such premiums. Debtor hereby assigns to Bank any return or unearned premiums which may be due upon cancellation of any such policies for any reason whatsoever and directs the insurers to pay Bank any amount so due. Bank is hereby appointed Debtor's attorney-in-fact to endorse any draft or check which may be payable to Debtor in order to collect such return or unearned premiums or the proceeds of such insurance; any balance of insurance proceeds remaining after payment in full of all amounts secured hereunder shall be paid to Debtor.

If the Debtor shall fail to make any expenditure or pay any sum necessary to keep and maintain the Goods in good repair, to discharge any lien, encumbrance, levy, security interest or other charge upon the Goods; or to maintain insurance upon the Goods as required hereby, the Bank may, but shall not be required to make any expenditure for such purpose or purposes and all sums so expended shall be payable on demand, shall bear interest at the highest lawful rate and all such sums and interest are secured hereby.

Debtor will pay all costs of filing any financing, continuation or termination statements with respect to the Security Interest created by this Agreement and to protect the Goods; agreement; Bank is hereby appointed Debtor's attorney-in-fact to do, at Bank's option and at Debtor's expense, all acts and things which Bank may deem necessary to perfect and continue perfected the Security Interest created by this Agreement and to protect the Goods.

If any representation or warranty of Debtor herein shall prove to be misleading or false or be breached; if Debtor shall fail to keep, observe, comply with and perform all of the obligations and undertakings herein set forth; if proceedings are instituted by or against Debtor under the Bankruptcy Act, as now or hereafter amended, or under any state insolvency law or statute for the relief of debtors; if any receiver, trustee, conservator, custodian, liquidator or other officer be appointed to take possession or control of any property of the Debtor; if the Debtor shall die, become insolvent or make any assignment for the benefit of creditors; or, if the Bank shall reasonably deem itself insecure; then, and in any such event, the Bank may, at its option and without notice to any party, declare all or any portion of the indebtedness secured hereby to be immediately due and payable and may proceed to enforce payment of the same, to exercise any or all rights and remedies provided herein and by the Uniform Commercial Code of the State of Oklahoma and by any other applicable law or statute. Whenever Debtor is in default hereunder, Debtor, upon demand by Bank, shall assemble the Goods and make them available to Bank at a place reasonably convenient to both parties.

STATE OF OKLAHOMA
 COUNTY OF _____
 SS: _____

BEFORE ME, the undersigned, a Notary Public in and for the said County and State, on this _____ day of _____

19____, personally appeared _____ and _____

to me known to be the identical person who executed the within and foregoing instrument, and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

WITNESS my hand and notarial seal the day and year last above written.

Notary Public _____

My commission expires: _____

STATE OF OKLAHOMA
 COUNTY OF TULSA
 SS: _____

BEFORE ME, the undersigned, a Notary Public in and for the said County and State, on this 29th day of August

1972, personally appeared DENNIS W. MANASCO

to me known to be the identical person _____, President, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such Corporation, for the uses and purposes therein set forth.

WITNESS my hand and official seal the day and year last above written.

Notary Public _____

My commission expires: _____

STATE OF OKLAHOMA
 COUNTY OF TULSA
 SS: _____

BEFORE ME, the undersigned, a Notary Public in and for the said County and State, on this _____ day of _____

19____, personally appeared _____

to me known to be the identical person _____, President, and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such Corporation, for the uses and purposes therein set forth.

WITNESS my hand and official seal the day and year last above written.

Notary Public _____

My commission expires: _____